Alberta
ENVIRONMENT

Office of the Minister

132 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2391

December, 1986

Honourable Dr. D. Carter
Speaker of the Legislative Assembly
325 Legislature Building
Edmonton, Alberta
T5K 2B6

Sir:

I have the honour to present the second annual report of the Alberta Special Waste Management Corporation, which covers the fiscal year ending March 31, 1986.

Respectfully submitted,

Ken Kowalski

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Minister of the Environment

Alberta Special Waste Management Corporation
900, 10909 JASPER AVE. EDMONTON, ALBERTA, CANADA T5J 3L9 (403) 422-5029

December, 1986

Honourable Ken Kowalski
Minister
Alberta Environment
132 Legislature Building
Edmonton, Alberta
T5K 2B6

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I have the honour to present the second annual report of the Alberta Special Waste Management Corporation, which covers the fiscal year ending March 31, 1986.

Respectfully submitted,

R. Lorne Mick
Chairman and Acting Chief Executive Officer

Chairman's Message

With the unstinting efforts of our small staff and the Corporation members the past year has seen significant progress in the construction of the Special Waste Treatment Centre near Swan Hills.

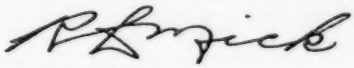
By March 31, 1986, $10.8 million had been committed to the project by Bow Valley Resource Services Ltd. through the operator, Chem-Security Ltd.

Government acceptance of the principles of a proposed agreement between the Corporation and Bow Valley Resource Services Ltd. provided a certainty of direction which will move the project ahead at an even greater pace. By year end estimated final project cost figures became more certain at $45 million. In addition, we became more confident that plant start-up, in all phases, would be late spring 1987. Some wastes, such as PCB-contaminated transformers, would be processed by late 1986.

Over the next year our activities will centre around completion of several agreements with Bow Valley Resource Services Ltd. These include formal joint venture and operating and management agreements. In addition, work will begin on design and siting of collection centres throughout Alberta.

The Alberta Special Waste Management System is a topic of general interest throughout North America, and our staff has been called upon to address or deliver papers to many groups. Often surprise is expressed when it is learned that a comprehensive treatment centre is well under construction with completion expected in 1987.

I would like to welcome new Board members Bob Clark of Carstairs, Gordon Docken of Edmonton and Margaret Hanson of Swan Hills. Early indications are they will be objective and active members of the Corporation.



R. Lorne Mick
Chairman, C.E.O. (acting)

Organization and Administration

Following extensive province-wide public participation and public hearings (1980 -1982), the Alberta government embarked on a unique special waste management plan. As a result of the voluntary siting program Swan Hills was named by cabinet as the successful community in March 1984. The Alberta Special Waste Management Corporation Act was proclaimed on April 1, 1984:

a) "To ensure the establishment and operation of sufficient Corporation facilities to deal adequately with hazardous waste that is not being adequately dealt with by other management facilities,

b) to ensure that Corporation facilities are established, operated and maintained in a manner that will protect the health and safety of the public and the environment, and

c) to ensure the protection of the health and safety of the public and the environment following the closure of Corporation facilities."

The Board was re-organized in January 1986 with the Vice-chairman of the Board assuming chairmanship while acting as chief executive officer. New members were appointed to vacancies.

Principles of Proposed Agreement

Prior to year end, the Minister of Environment announced the principles of a proposed agreement between Bow Valley Resource Services Ltd. (BVRS) and the Alberta Special Waste Management Corporation. A joint venture agreement based on those principles will see the Corporation owning 40 per cent of the special waste treatment facilities near Swan Hills, with BVRS owning 60 per cent. Each will participate in future revenue and operating expenses in the same ratio. This is a substantial change in direction for the Corporation and places new and challenging roles on the staff. However, it will strengthen the role of the Corporation in the management of the Alberta special waste system. With construction well underway, some operations are expected to begin by the fall of 1986 and full operations in 1987.

Plant Design and Construction

The Corporation was represented on the Bow Valley Resource Services Ltd./Chem-Security Ltd. process selection and project team, which initiated and approved the design and construction of all phases of the facility at Swan Hills. Major planning components initiated during the year included:

Infrastructure

- to provide common services for the plant including the laboratory/administration building, operations and maintenance building, drum receiving and storage complex, organic tank farm, storm water retention ponds, water supply and treatment system, and truck wash.

Incinerator

- to treat 11 000 tonnes per year of organic wastes, complete with state-of-the-art pollution control equipment.

Physical/Chemical Treatment Plant

- to treat 4 000 tonnes per year of inorganic wastes; includes segregated storage and chemical reaction tanks with vapour control.

Stabilization Plant

- to solidify and stabilize treated material prior to landfilling.

Secure Landfill Cells

- to receive treated solid residues for final disposal in lined, drained cells in deep clay.

Deepwell

- to receive treated liquid residues and site run off by injection into limestone formations at depths below 2 000 metres.

Site Activities to March 31, 1986

By *June* 1985 a conceptual site plan had been developed. Bids were received for the administration/laboratory building and the first drafts of the plant design and scoping documents were completed.

July saw the design for the deep well finalized and a contract for drilling awarded. A permit to construct the initial development was received from Alberta Environment and the Energy Resources Conservation Board. Construction began on the administration/laboratory building.

In *August* drilling of the deep well continued and conceptual design of the incinerator was begun. Pilings and grade beam were completed on the administration/laboratory building.

By *September* the deep well was cased and completed. Work continued on the administration/laboratory building and tenders were called for the site services. Design was finalized and tenders were called for the incinerator. Conceptual design was underway for storage and receiving facilities.

In *October* the contract was awarded for the site services and tenders were called for the water treatment system. Detailed examination of the incinerator bids was undertaken.

By *November* a selection process for the detailed engineering contractor was underway. Exterior work was completed on the administration/laboratory building.

In *December* the contract was awarded for the water treatment system and final discussions were held with the short listed incinerator suppliers.

In *January* the incinerator contract was awarded. Weigh scales were installed and work was begun on the water treatment system.

By *February* the administration/laboratory building was completed and the contract for detailed engineering and design was awarded. Final design was approved for the operation and maintenance building.

By *March* the site services were essentially complete, the water treatment system was underway and detailed design was continuing on a number of waste treatment processes. Quality assurance programs were set in place. Piping and instrumentation diagrams for the incinerator were under development.

Corporation Activities

Transfer and Collection System

Planning continued into the first phases of collection with the goal of providing efficient access to the treatment facility throughout the province. Preliminary meetings were held with waste handlers in Edmonton and Calgary. Corporation personnel studied collection systems in Denmark, Sweden and Germany.

Nisku Operations

During the year, the Corporation was contracted by Alberta Environment to manage two special waste storage operations in Nisku Industrial Park. The Department had assumed ownership of both by purchase and default from the private sector. A total of 5 000 tonnes of waste material in five warehouses required immediate safe, efficient storage.

The wastes were consolidated into four warehouses and a major renovation program was initiated to upgrade the storage operation. Security was improved; fire detection response equipment was added; and environmental protection was expanded. General identification of waste was begun, and inventory taken.

In August 1985, in response to generators' urgent needs, the Corporation allowed the Nisku facilities to accept the interim storage of wastes which could not be kept safely on the site of generation. Following all safety requirements and government guidelines for waste handling, packaging, transporting, manifesting and storing, the Corporation has received limited quantities of special waste and contaminated electrical equipment from generators across the province. The Corporation assumes responsibility for these wastes while the generator retains ownership and enters into contract with ASWMC. Once the waste treatment facility at Swan Hills is operational, the stored wastes will be transported to the plant for treatment and disposal on an orderly schedule.

Environmental Monitoring, Swan Hills

Surface and groundwater monitoring programs on and around the site have continued during the past year. A full set of background data is now in hand. Ten groundwater sampling stations, comprising 24 shallow, intermediate and deep monitoring wells, surround the site. Five surface sampling stations are providing data on stream flow, water volumes, water quality and aquatic fauna.

Studies on soil and vegetation have broadened the ecological data base and provided a strong statement on pre-operational conditions in the area of the waste treatment and disposal site. Soil and vegetation monitoring, sampling and analysis to determine indigenous conditions will continue to document any change in environmental quality following plant start-up. Twelve stations up to six kilometres from the site are inspected yearly.

Air quality baseline data collection was initiated in November 1985. A sampling and recording trailer was established on the facility site and a weather recording tower erected. Continuous recording provides information on wind speed and direction, temperature, and air constituents such as sulphur dioxide, hydrogen sulphide, oxides of nitrogen, total hydro-carbons and carbon monoxide. Samples for specific organic analysis are taken on a periodic basis.

To augment air quality research and to provide a rationale for locating environmental monitoring stations, wind studies have been completed and a plume dispersion study has been implemented. Results of this study will define the location and scope of future monitoring programs.

Utilities

The Corporation's commitment to provide all utilities to the facility site has been fulfilled. During the past year natural gas, electric power, water and telephone have been provided. A natural gas line extends from a point south of Swan Hills, cross-country to the site. Electric power lines parallel the road east from Highway 33. Water wells have been drilled on-site and provide 40 gpm to the facility; an additional water source will be required and further well drilling will be undertaken. Underground telephone lines have been installed.

Road Construction

The access road has been reconstructed, realigned and graded. Improvements include a new intersection with Highway 33. Hardtopping has been scheduled for 1987.

Communications and Community Relations

The Town of Swan Hills, in actively seeking the establishment of a special waste treatment facility during the earlier siting program, demonstrated a basic understanding of special waste and an acceptance of the need for waste treatment facilities. The 1980 plebiscite indicated 79% of the population was in favor. With the opening of the Crown Corporation information office in town in 1984, support continued. However, there was a continuing need for information to answer questions and identify local concerns.

In 1985 the *Newsletter* continued to report on items of special interest to local and area residents. Features explored the nature of PCBs, transfer and collection, recycling, monitoring, transportation and proposed principles of the joint venture. The format was upgraded to include photographs of construction and site development, local committee members and their activities. Circulation increased to over 800. The interview on PCBs with Dr. Walter Harris was requested for reprint by the University of Alberta's magazine "Folio", as well as by a private industry and a utility company.

The display series was expanded and continued to be circulated throughout the region. The Corporation and Chem-Security Ltd. participated in local fairs and trade shows in Barrhead and Westlock, and representatives attended the Career Fair at Slave Lake.

Presentations were made to the Alberta Public Health Association at its Annual Meeting, N.A.I.T. Chemical Technologists, the South Edmonton Rotary Club, Environmental Law Society, University of Alberta Environmental Education Students, Westlock Nurses Association, Alberta Environment Waste Management Branch, Engineering Institute of Canada (Edmonton chapter), Leduc County Council, Canadian Society of Environmental Biologists and the Edmonton Regional Emergency Planning Group.

The Corporation continued to respond to requests for briefings and, with CSL and Alberta Public Safety Services personnel, made presentations to the Barrhead Chamber of Commerce, Sturgeon Health Unit, Environment Council of Alberta, and Westlock Town Council.

Papers were presented to the Ontario Industrial Waste Conference, Toronto; the Waterwell Drillers Association Conference, Banff; and the Petroleum Industry Seminar on Waste Management, Calgary. The Corporation was represented at the Alberta Urban Municipalities Association Annual Meeting, Jasper; and the "Alternatives to Land Disposal Symposium", Air Pollution Control Association, California.

News releases were written and distributed for all contract announcements and were carried in the local weekly. Good news coverage was provided for many activities, including construction at the site and the roadway and utility installation. Edmonton and Calgary television stations did on-site features. There was wide media request for information because of related newsworthy events, such as the Kenora PCB spill in Ontario.

Corporation personnel also participated in several radio open-line talk shows dealing with special wastes.

Community Relations

Both formal and informal contacts are maintained with elected representatives. Two meetings were held with Town Council, and, in recognition of the grizzly bear as the town's symbol, a bear rug was presented to be hung in the council chambers. Council was presented with a cheque for $35,000 to defray extra costs incurred to identify impacts on the community. Selected council members, the mayor and town administrator accompanied local citizen committee members on information tours to American and Eastern Canadian special waste operations.

As construction activity on the site increased, requests for visits began. Tours were conducted for the Hazardous Chemicals Advisory Committee and senior personnel from Alberta Environment, and representatives from Montana.

In June an Open House was held with CSL in the Swan Hills Recreation Hall to present the Environment Protection Plan. The new air monitor trailer was also on display. Nearly a hundred people attended the open house. Two classes from the Swan Hills school showed particular interest.

Both the Corporation and CSL became involved in community events, providing judges for the Keyano Days parade. The Corporation office was used for the children's Christmas party and for a hospital auxiliary bake sale. The office is also made available on a regular basis for the Chamber of Commerce meetings. CSL's hockey school was very popular. Registration fees were turned over to the Swan Hills Minor Hockey Association.

The Local Citizens Committee

The first meeting of the local committee was held in April, and monthly meetings followed throughout the year. Committee members were eager to understand special waste treatment processes, and tours were arranged to Chemical Waste Management Inc.'s physical-chemical operation and landfill in Calumet City, Ill., and to the former SCA incinerator near Chicago. The Stablex stabilization facility and landfill in Blaineville, Quebec, were also visited. Committee members agreed such inspections were invaluable in helping them to understand the various methods of treating wastes.

Other field trips were organized — to the Alberta Environmental Centre in Vegreville, where research is being conducted on waste treatment, and to the Nisku storage operations under the direction of ASWMC. Licensing and permitting functions that would be required for the plant were explained by Alberta Environment and a speaker presented information on the emergency in the insurance industry. At each meeting, the committee is informed of plant site activity by Chem-Security Ltd., and updates have been given as the air, land, water, flora and fauna monitoring systems have been put in place.

Some members have been interviewed by various news media, and they continue to provide information informally throughout the community. The committee is composed of four volunteer members of the community and one representative each from ASWMC and CSL.

Interdepartmental Activities

Considerable contacts within a number of departments of the provincial government have been simplified and made more effective through a series of group meetings relating to various activities. This was particularly effective during site preparation when representatives from Energy and Natural Resources, including Alberta Forest Services, Transportation, and Environment, met several times to facilitate approvals, permits and field operations.

A Transportation Task Force was organized to include Alberta Public Safety Services (formerly Disaster Services), Transportation, Municipal Affairs, Labour, and Environment.

Also, the Alberta Special Waste Management Corporation is represented on the Hazardous Chemicals Advisory Committee, an industry/citizen/government committee working with Alberta Environment on regulations under the Hazardous Chemicals Act.

Frequent meetings with Alberta Environment continue to be necessary and helpful in coordinating waste activities, particularly at the Nisku storage site.

Financial Statements

Auditor's Report

To the Members of the
Alberta Special Waste Management Corporation

I have examined the balance sheet of the Alberta Special Waste Management Corporation as at March 31, 1986, and the statement of revenue, expenditure and retained earnings for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1986, and the results of its operations for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Donald D. Salmon

C.A.
Auditor General

Edmonton, Alberta
August 12, 1986

Balance Sheet

As at March 31, 1986
(thousands of dollars)

Assets	**1986**	**1985**
Current:		
Cash (Note 3)	**$ 6,029**	$2,942
Accounts receivable	**39**	2
Prepaid rent	**7**	–
	6,075	2,944
Participation in the Swan Hills Facility (Note 4)	**3,555**	–
Fixed (Note 5)	**4,039**	310
Other (Note 6)	**665**	219
	$14,334	$3,473
Liabilities and Equity		
Current liabilities:		
Participation costs	**$ 2,267**	$ –
Accounts payable	**575**	35
Holdbacks payable	**79**	–
Security deposits	**16**	–
	2,937	35
Equity:		
Equity in the Swan Hills Facility	**3,555**	–
Equity in fixed assets	**4,039**	310
Retained earnings	**3,803**	3,128
	11,397	3,438
	$14,334	$3,473

The accompanying notes are part of these financial statements.

Statement of Revenue, Expenditure and Retained Earnings

For the Year Ended March 31, 1986
(thousands of dollars)

	1986	1985
Revenue:		
Grant from the Province of Alberta, Department of Environment	$ 9,445	3,885
Interest earnings	612	132
Other	4	–
	10,061	4,017
Expenditure		
Capital:		
Fixed asset purchases	3,729	310
Participation in Swan Hills Facility	3,555	–
Administration:		
Salaries and employee benefits	408	212
External consulting services	374	168
Supplies and services	55	50
Other	131	149
Collection and storage operations:		
Contract services	648	–
Occupancy	332	–
Repairs and maintenance	91	–
Other	63	–
	9,386	889
Excess of revenue over expenditure	675	3,128
Retained earnings at beginning of year	3,128	–
Retained earnings at end of year	$ 3,803	$3,128

Notes to the Financial Statements

For the Year Ended March 31, 1986

Note 1 Authority

The Alberta Special Waste Management Corporation operates under the authority of the Special Waste Management Act, Chapter S-21.5, Statutes of Alberta 1982.

Note 2 Significant Accounting Policies

a) These financial statements have been prepared in accordance with generally accepted accounting principles except as follows:

(i) the cost of fixed assets is expensed in the year of acquisition. Fixed assets are also shown on the balance sheet at cost with a corresponding credit to equity in fixed assets.

(ii) the Corporation is in the process of negotiations for the establishment of a Joint Venture to construct and operate the Swan Hills Waste Disposal Facility, known as the Swan Hills Facility. Costs with respect to participation in the proposed Joint Venture is expensed in the year incurred but is also disclosed on the balance sheet as participation in the Swan Hills Facility with a corresponding credit to equity in the Swan Hills Facility.

b) A statement of changes in financial position has not been provided as disclosure in these financial statements is considered to be adequate.

Note 3 Cash

Cash consists of deposits in the Consolidated Cash Investment Trust Fund of the Province of Alberta.

Note 4 Participation in the Swan Hills Facility

Costs of $3,555,000 for the year ended March 31, 1986, represent the Corporation's share of costs incurred by the proposed Joint Venture with respect to the Swan Hills Facility. The participants are operating under a Joint Venture proposal which specifies that the Corporation will have a 40% interest in the Joint Venture.

Note 5 Fixed Assets

Fixed assets consist of the following:

	Balance March 31, 1985	Additions During Year	Balance March 31, 1986
		(thousands of dollars)	
Swan Hills Facility:			
Access road	$ 70	$2,668	**$2,738**
Utilities	117	926	**1,043**
Deep well lease	–	90	**90**
Land	74	–	**74**
	261	3,684	**3,945**
Furniture and equipment	49	20	**69**
Leasehold improvements	–	25	**25**
	$310	$3,729	**$4,039**

Note 6 Other Assets

Other assets comprise the cost of feasibility and environmental monitoring studies which may be recovered, in whole or in part, when the terms of a proposed Joint Venture are finalized.

Note 7 Administration Expenses

Head office premises and basic office furnishings are provided by the Province of Alberta. These assets and certain administrative costs are provided at no charge and accordingly are not reflected in these financial statements.

Note 8 Comparative Figures

The 1985 figures have been reclassified where necessary to conform to 1986 presentation.

Note 9 Approval of Financial Statements

These financial statements have been approved by the Members of the Corporation.

Alberta Special Waste Management Corporation

Board Members

R. Lorne Mick
Chairman, Innisfail

William J. Mooney
Vice-Chairman, Calgary

Robert Clark
Carstairs

Gordon Docken
Edmonton

Margaret Hanson
Swan Hills

Bert M. Huffman
Edmonton

William K. Ross
Calgary

Sandra E. Bishop
Secretary to the Corporation

Officers and Staff of the Corporation

R. Lorne Mick
Acting Chief Executive Officer

Kenneth J. Simpson
Senior Vice-President, System Development and Operations

Jacqueline B. Champion
Vice-President, Communications

(Vacant)
Manager, Finance and Administration

Dr. Jennifer McQuaid-Cook
Corporation Planner

Sandra E. Bishop
Secretary and Secretary to the Board

Judy J. Augustin
Receptionist

Memberships

Chamber of Commerce, Edmonton
Chamber of Commerce, Leduc
Chamber of Commerce, Swan Hills
Nisku Industrial Park Association
Hazardous Waste Treatment Council (Associate)
Consortium of State Hazardous Waste Siting Authorities
National Tank Truck Drivers, Inc.
Governmental Refuse Collection and Disposal Association
Air Pollution Control Association
National Solid Waste Management Association
Better Business Bureau, Edmonton

Swan Hills Local Citizens Committee

Bob Wilson
Chairman

Joan Butler

Marcie Giroux

Allan Gray

Swan Hills Office

Bill Huderna

Corporation Office:

900 - 10909 Jasper Avenue
Edmonton, Alberta
T5J 3L9
(403) 422-5029